

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA- PHILADELPHIA DIVISION**

In re: Jose Canales, aka Jose Antonio Colon, Debtor Alicia Canales, aka Alicia Colon, Joint Debtor MTGLQ Investors, LP, Movant v. Jose Canales, Alicia Canales, Debtor/Respondent William C. Miller, Esquire Trustee/Respondent	Bankruptcy No. 19-18043-elf Chapter 13 Hearing Date: November 3, 2020 at 9:30 AM
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STIPULATION RESOLVING MOTION FOR RELIEF FROM STAY

Secured creditor, MTGLQ Investors, LP, and Debtors, Jose Canales and Alicia Canales, (“Debtors”), by and through their respective attorneys, hereby stipulate as follows:

I. BACKGROUND:

1. On July 31, 2006, Jose Canales and Alicia Canales executed and delivered a Promissory Note (“Note”) and a Mortgage (“Mortgage”) securing payment of the Note in the amount of \$ \$204,900.00.
2. The Mortgage was recorded on August 28, 2006, with the Montgomery County Recorder of Deeds.
1. The Mortgage was secured as a lien against the property located in Delaware County commonly known as 313 Chestnut Avenue, Elkins Park, Pennsylvania 19027 (the “Property”).
3. The Note and Mortgage were lastly assigned to MTGLQ Investors, LP.
4. Debtor has defaulted under the terms of the Note and Mortgage by failing to make the monthly payments of principal, interest and escrow each in the amount of \$2,542.67, which

became due on May 1, 2020, June 1, 2020, July 1, 2020, August 1, 2020, September 1, 2020, October 1, 2020, and November 1, 2020.

5. Thus, Debtor's post-petition arrearage currently totals the sum of \$15,483.17 (as there is \$2,315.52, in suspense).
6. Debtor further acknowledges that additional payments of principal, interest and escrow currently in the amount of \$2,542.67, per month shall become due under the Note and Mortgage on the 1st day of each successive month, beginning December 1, 2020, until the Note is paid in full. Debtor acknowledges that the monthly payment is subject to change and is responsible for same.
7. MTGLQ Investors, LP and Debtor desire to resolve Debtor's post-petition arrearage in accordance with the set forth terms below:

II. STIPULATION FOR RELIEF FROM STAY

1. Debtor confirms and acknowledges his obligations to MTGLQ Investors, LP under the Note and Mortgage.
2. Debtor further confirms and acknowledges his failure to make the post-petition payments of principal, interest and escrow in the amount of post-petition arrearage as set forth above in paragraphs 4 and 5.
3. Debtor further confirms and acknowledges his obligations to make the regular post-petition payments of principal and interest going forward from December 1, 2020, as set forth above in paragraph 6.
4. Debtor agrees to become current on post-petition obligations to MTGLQ Investors, LP, by filing an Amended Chapter 13 Plan to include the post-petition default of \$15,483.17 within thirty (30) days of the entry of this order.

5. Debtor further agrees to continue to make regular post-petition payment of principal and interest in the amount of \$2,542.67, (Debtor's acknowledges that the monthly payment is subject to change) which shall become due on the 1st day of each month beginning on December 1, 2020, until obligation to MTGLQ Investors, LP, its successors and/or assignees under the Note is paid in full. Payments can be sent to the following address: Rushmore Loan Management Services, P.O. Box 52262, Irvine, California 92619-2262.
6. In the event that Debtor converts to a Chapter 7 during the pendency of this Bankruptcy case, the Debtor shall cure the pre-petition and post-petition arrears within ten (10) days from date of conversion. Should the Debtor fail to cure the arrearage, MTGLQ Investors, LP will send Debtor's counsel a written notification of default of this Stipulation. If the default is not cured within fifteen (15) days of the notice, MTGLQ Investors, LP may file a Certification of Default with the Court and the Court shall enter an Order granting relief from the Automatic Stay.
7. In the event the Debtor should default on obligations under this Stipulation by failing to make cure payments as set forth above in paragraph 4 and/or tender in full any of the payments described in paragraph 5, on or before the dates on which they are due, then MTGLQ Investors, LP, its successors and/or assigns shall serve Debtor's Attorney by fax, e-mail and/or regular mail, with written notification of default. In the event that Debtor fails to cure the default within fifteen (15) days of the date of the written notification, then, MTGLQ Investors, LP may file a Certification of Default with the Court and the Court shall enter an Order granting relief from the Automatic Stay, where upon MTGLQ Investors, LP or its assignee or successors may exercise its rights against the Mortgaged Property under the terms of this Stipulation without further notice to Debtor or the Order

of this Court.

8. Additionally, Debtor agrees that is not permitted more than two (2) defaults from the date of the Stipulation. Debtor agrees that if defaults under the terms of this Stipulation more than two (2) times, then, without any further notice, MTGLQ Investors, LP, its successors and/or assigns may file a Certification of Default with the Court and the Court shall enter an Order granting relief from the Automatic Stay, where upon MTGLQ Investors, LP, its successors and/or assigns may exercise its rights against the Mortgaged Property under the terms of this Stipulation.
9. Neither MTGLQ Investors, LP's consent to this Stipulation nor MTGLQ Investors, LP's acceptance of any payments tendered by Debtor shall be construed as a waiver of MTGLQ Investors, LP's right to proceed with or commence a foreclosure other legal action against Debtor under this Stipulation; however, MTGLQ Investors, LP agrees to credit Debtor's account for any payments made by Debtor in accordance with this Stipulation, the Note and/or Mortgage.
10. This Stipulation may only be modified by a revised Stipulation filed on the docket in the Bankruptcy. No oral modifications are permitted and any allegation that the Stipulation was modified orally will be disregarded as evidence. No written modifications are permitted, except for a revised Stipulation filed on the docket in the Bankruptcy.
11. Debtor hereby certifies and confirms that Debtor has reviewed the terms of the Stipulation with his Counsel that Debtor understands and is in agreement with the terms of this Stipulation, and that counsel has been authorized by Debtor to sign this Stipulation.

IT IS HEREBY STIPULATED:

By: /s/ Charles G. Wohlrab

Date: 12/04/2020

Charles Wohlrab

Robertson, Anschutz, Schneid & Crane, LLC

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Duluth, GA 30097

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Attorney for Movant

By: /s/ 

Date: 12/3/2020

Michael W. Gallagher

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401 West Johnson Highway, Suite 4

East Norriton, PA 19401

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Attorney for Debtor

By: /s/ LeRoy W. Etheridge, Esquire

Date: 12/07/2020

William C. Miller, Esq.

P.O. Box 1229

Philadelphia, PA 19105

Telephone: 215-627-1377

Chapter 13 Trustee

**No objection to the Stipulation's Terms;
without prejudice to any rights and/or
remedies

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CERTIFICATE OF SERVICE

I, the undersigned, certify under penalty of perjury that I am, and at all times hereinafter mentioned, was more than 18 years of age, that on December 11, 2020, I served a copy of the Stipulation Resolving Motion for Relief from Stay by first class U.S. Mail, postage prepaid or electronic mail at the following addresses:

Michael W. Gallagher
401 West Johnson Highway, Suite 4
East Norriton, PA 19401

Jose Canales
7313 Chestnut Avenue
Elkins Park, PA 19027

Alicia Canales
7313 Chestnut Avenue
Elkins Park, PA 19027

William C. Miller, Esq.
Chapter 13 Trustee
P.O. Box 1229
Philadelphia, PA 19105

United States Trustee
Office of the U.S. Trustee
200 Chestnut Street, Suite 502
Philadelphia, PA 19106

By: /s/ Charles Wohlrab
Charles Wohlrab, Esquire